

BILL: SB 0528
TITLE: Climate Solutions Now
POSITION: Favorable with amendments
HEARING DATE: 2/15/2022
COMMITTEE: Education, Health, and Environmental Affairs
SPONSOR: Senator Paul Pinsky

Climate Reality Montgomery County strongly supports **SB0528 - Climate Solutions Now Act of 2022**. We would like to thank the sponsor, Senator Pinsky, for introducing this important piece of legislation. We would also like to offer several amendments that strengthen the legislation (attached).

Climate Solutions Now is a crucial piece of legislation that sets ambitious but achievable climate goals and outlines a plan to reach them. We support this legislation because it addresses the top three emitting sectors – transportation, energy consumption, and buildings– while centering environmental justice concerns and promoting climate equity.

Historically, low-income communities and people of color have borne disproportionate negative impacts from dirty energy use and climate change. Through the creation of a Climate Catalytic Capital Fund and a Climate Justice Corps, the Climate Solutions Now Act of 2022 aims to support projects to reduce GHG emissions in overburdened communities and invest in a “green-collar” workforce. We urge the sponsor to work with colleagues to collaborate with programs such as the Maryland Corps Program and the proposed Maryland Civilian Climate Corps (proposed in SB228) to ensure that the jobs created to promote climate justice and clean energy projects are well paid and benefitted. Additionally, we strongly support the provisions that direct the Maryland Department of the Environment to conduct research and data gathering on cumulative impacts and overburdened communities, in consultation with the Maryland Commission on Environmental Justice and Sustainable Communities. It is important that these duties are properly staffed and lead to the establishment of strategies to address environmental justice and advance climate equity, including goals for funding directed to disproportionately affected communities. We offer minor amendments to improve this provision.

We believe that the state should be leading by example in electric vehicle adoption. Climate Solutions Now does exactly this by requiring that a portion of the passenger cars purchased for the state fleet be ZEV starting in the fiscal year 2023 and reaching 100% by 2027 and a portion of all light-duty vehicles purchased for the state fleet be ZEV starting in the fiscal year 2028 and reaching 100% by 2033.

Because buildings emit 40% of Maryland’s greenhouse gases (13% of which are direct emissions) and account for 90% of Maryland’s electricity use, improving building energy

performance and transitioning buildings off of fossil fuels is crucial to reaching Maryland's climate commitments. We strongly support these provisions in Climate Solutions Now and offer minor amendments to strengthen them.

Finally, we commend the bill sponsor for including provisions to extend the EmPOWER Maryland program and increase the annual efficiency gains. This program is a critical tool in mitigating the energy burden our most vulnerable residents face. However, we recognize an urgent need to better align this program with our climate goals. Whether in SB528 (pg. 36-37) or in complementary legislation, we support making revisions to the EMPOWER program to better support our climate goals and energy needs. We are agnostic to the legislative vehicle for these changes but acknowledge the urgency due to the 2023 sunset of EMPOWER without legislative action. Reform should include:

- Requiring that the core objective of EmPOWER shift from focusing solely on reduced electricity consumption to emphasizing reduced/avoided greenhouse gas emissions
- Modifying Empower to focus on electrification and prohibit use of Empower support for new fossil fuel. (refer to HB708, pg 24, lines 5-20)

We look forward to working with the bill sponsor and leaders throughout the legislature on these proposed amendments.

With 3,000 miles of tidal shoreline, Maryland is one of the [most climate-vulnerable states in America](#) – just from sea-level rise. In Montgomery County, we have had serious flooding, including a recent flash flood that killed a young man in Rockville. We are also vulnerable to heatwaves, other extreme weather events, and all the problems with that come from poor air quality.

We must act now to address the climate crisis. We need ambitious goals and a realistic plan to meet them. Therefore, we urge a favorable vote from the committee with the inclusion of these amendments.

Respectfully submitted,

Frances Stewart
Chapter Chair
Climate Reality Montgomery County
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Priority Amendments

Building electrification and efficiency:

- Climate Catalytic Capital Fund
 - Explicitly state that 40% of funds from the Climate Catalytic Capital Fund be spent in low and moderate-income neighborhoods and that funds can be spent on whole-structure retrofits (including multi-family buildings) including health, safety, weatherization, and electrification measures.
 - The purpose of the funds should explicitly include “Facilitate the electrification of the building sector”.
 - Explicitly state that funds cannot be used for installation of new equipment that uses fossil fuels
 - Funds from alternative compliance payments should go to the Climate Catalytic fund to be spent on low-income whole-structure retrofits, including low-income multi-family buildings.
- On page 35, lines 2-3, strike “water and space heating” and substitute “on-site energy” and add on line 3, “except for kitchen appliances”.
- Insert on Page 35, following line 6
(12-501(3)(l)(2)(A (under the provision requiring solar ready):
 - A. The Installation of Solar Energy Systems
 - To include a 40% roof set aside and necessary electrical panel and conduit requirements. if the building:
 - Will have 20,000 square feet or more of continuous roof space, excluding the parking area; and
 - Will be 20 stories or less in height, above grade plane.
 - B. Regulations adopted under this subsection may authorize a local jurisdiction to waive the solar-ready requirement for a building on a specific finding that:
 - incident solar radiation at the building site is less than 75% of incident solar radiation at an open site; or
 - shadow studies indicate that 25% of a building’s roof area will be in shadow.
- On page 35, following line 9, add energy efficiency provisions for buildings. Add:
 - D. For new covered buildings funded at least 25% by State funds
 - A 40% reduction in modeled energy use consumption over the 2018 International Energy Conservation Code for permit applications received between Jan 1 2023 and Dec 31 2025
 - A 60% reduction in modeled energy use consumption over the 2018 International Energy Conservation Code for permit applications received between Jan 1 2025 and Dec 31 2027
 - E. For all other new covered buildings
 - A 40% reduction in modeled energy use consumption over the 2018 International Energy Conservation Code for permit applications received between Jan 1 2025 and Dec 31 2027

- A 60% reduction in modeled energy use consumption over the 2018 International Energy Conservation Code for permit applications received F. MAJOR RENOVATIONS – Energy Conservation

F. “Major Renovation” means a renovation project:

- For which the total projected cost exceeds 50% of the assessed value of the existing building; or
- Involving a change of use, if the change involves the application of different requirements of the standards.

G. Except as provided in subsection () of this section, if a covered building is undergoing a major renovation, the building shall be renovated to achieve:

- A 40% reduction in the building’s average annual energy use; or
- A 20% reduction in modeled energy use consumption over the current Energy Code.

H. A local jurisdiction may waive the requirements under subsection () of this section if the building owner demonstrates that the cost of the improvements necessary to achieve the required energy reductions would exceed projected operational and energy savings from the improvements over a certain payback period:

- A 25–year period for all buildings funded at least 25% by the State.
- A 15–year period for all other buildings.
- Provisions regarding “alternative compliance pathway” on page 47, lines 20 -23, and lines 27-29, should be sunsetted. We suggest a sunset of 12/1/2030
- Pages 47, delete lines 18-19 (“PROVIDE MAXIMUM FLEXIBILITY TO THE OWNERS OF COVERED BUILDINGS TO COMPLY WITH BUILDING EMISSIONS STANDARDS”)
- The Building Emission Performance Standards regulations directive under 2-1602 (C) should
 - require that the adopted regulations prioritize direct emission reductions from qualified buildings via electrification plans and pathways,
 - provide protection against financial cost pass-through and evictions for tenants in covered multi-family buildings, 3) require covered public buildings’ retrofits to be completed with a high-quality workforce (i.e. prevailing wage, insurance coverage, paid leave, etc.) (pg. 48)

Equity and Environmental Justice Provisions

- Strengthen the provisions on pages 9-12 by including language that requires 40% of investments go to overburdened communities and Rosenberg Justice 40 bill and/or the Boyce/Watson all agency climate, equity, and labor test language.
 - The language in the Boyce/Watson all agency climate, equity and labor test should be incorporated on page 22, lines 12-15 as well
 - The Interagency Commission on School Construction should be included as an agency required to consider climate in long-term planning

Net Zero Schools

- Explicitly state that the IAC state school construction funding process may cover planning, design, and engineering for net-zero schools.
- School buildings that are not net-zero energy should be net-zero energy ready.
- Delete “subject to the availability of funding” on Page 8 Line 14 and replace that language with one of the options below -

- P. 8, line 9-13, (5-312(c)(2)(I), Delete para. “Except as Provided in . . .
Delete 5-312 (c) (2) (I) of the Education Article that was inserted: except as provided in subparagraph (iii) of this paragraph, the net-zero energy requirements that apply for a building to meet the definition of a ‘high performance building’ under § 3-602.1 12 of the state finance and procurement article

OR

Amend to read: Except as provided in Subparagraph III of this Paragraph, Public Schools shall be required to achieve a 40% reduction in modeled energy use consumption over the 2018 International Energy Conservation Code by 2023 and a 60% reduction in modeled energy use consumption over the 2018 International Energy Conservation Code by 2025.

- Pg 40 line 15-17. Remove having the Council develop guidelines and instead require them to provide an annual report on the status of meeting the high performance building requirements.
- Pg 8, line 25 – pg 9, line 2. If a school qualifies for a waiver because the Interagency Commission determines that either (I) or (II) is true, the school must be net-zero READY.

Buy Clean Maryland Act

- Consider adding To SB528 the **Buy Clean Maryland Act** provisions from HB806 - Del. Stein Public Buildings bill with one change related to the waiver provisions.
 - Section 4-904 (E) **Strike** - ~~(4) RESULT IN ONLY ONE SOURCE OR MANUFACTURER BEING ABLE TO PROVIDE THE NECESSARY MATERIALS.~~
 - **Add** - (F) IF ONLY ONE SOURCE OR MANUFACTURER IS ABLE TO PROVIDE THE NECESSARY MATERIALS, A SOLE SOURCE PROCUREMENT MAY BE ALLOWED, PROVIDED NONE OF THE OTHER WAIVER DETERMINATIONS ARE MADE.